

1-1 By: Kokhorst, Raymond (Senate Sponsor - Nelson) H.B. No. 3556
1-2 (In the Senate - Received from the House May 6, 2013;
1-3 May 7, 2013, read first time and referred to Committee on Health
1-4 and Human Services; May 16, 2013, reported adversely, with
1-5 favorable Committee Substitute by the following vote: Yeas 7,
1-6 Nays 0; May 16, 2013, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11			X	
1-12	X			
1-13			X	
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 3556 By: Nelson

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to the licensing and regulation of emergency medical
1-22 services providers and a moratorium on the issuance of emergency
1-23 medical services provider licenses.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Section 773.0571, Health and Safety Code, is
1-26 amended to read as follows:

1-27 Sec. 773.0571. REQUIREMENTS FOR PROVIDER LICENSE. The
1-28 department shall issue to an emergency medical services provider
1-29 applicant a license that is valid for two years if the department is
1-30 satisfied that:

1-31 (1) the applicant [~~emergency medical services~~
1-32 ~~provider~~] has adequate staff to meet the staffing standards
1-33 prescribed by this chapter and the rules adopted under this
1-34 chapter;

1-35 (2) each emergency medical services vehicle is
1-36 adequately constructed, equipped, maintained, and operated to
1-37 render basic or advanced life support services safely and
1-38 efficiently;

1-39 (3) the applicant [~~emergency medical services~~
1-40 ~~provider~~] offers safe and efficient services for emergency
1-41 prehospital care and transportation of patients; ~~and~~

1-42 (4) the applicant:

1-43 (A) possesses sufficient professional experience
1-44 and qualifications to provide emergency medical services; and

1-45 (B) has not been excluded from participation in
1-46 the state Medicaid program;

1-47 (5) the applicant holds a letter of approval issued
1-48 under Section 773.0573 by the governing body of the municipality or
1-49 the commissioners court of the county in which the applicant is
1-50 located and is applying to provide emergency medical services, as
1-51 applicable; and

1-52 (6) the applicant [~~emergency medical services~~
1-53 ~~provider~~] complies with the rules adopted [~~by the board~~] under this
1-54 chapter.

1-55 SECTION 2. Subchapter C, Chapter 773, Health and Safety
1-56 Code, is amended by adding Sections 773.05711, 773.05712, and
1-57 773.05713 to read as follows:

1-58 Sec. 773.05711. ADDITIONAL EMERGENCY MEDICAL SERVICES
1-59 PROVIDER LICENSE REQUIREMENTS. (a) In addition to the
1-60 requirements for obtaining or renewing an emergency medical

2-1 services provider license under this subchapter, a person who
 2-2 applies for a license or for a renewal of a license must:

2-3 (1) provide the department with a letter of credit
 2-4 issued by a federally insured bank or savings institution in the
 2-5 amount of:

2-6 (A) \$100,000 for the initial license and for
 2-7 renewal of the license on the second anniversary of the date the
 2-8 initial license is issued;

2-9 (B) \$75,000 for renewal of the license on the
 2-10 fourth anniversary of the date the initial license is issued;

2-11 (C) \$50,000 for renewal of the license on the
 2-12 sixth anniversary of the date the initial license is issued; and

2-13 (D) \$25,000 for renewal of the license on the
 2-14 eighth anniversary of the date the initial license is issued;

2-15 (2) if the applicant participates in the medical
 2-16 assistance program operated under Chapter 32, Human Resources Code,
 2-17 the Medicaid managed care program operated under Chapter 533,
 2-18 Government Code, or the child health plan program operated under
 2-19 Chapter 62 of this code, provide the Health and Human Services
 2-20 Commission with a surety bond in the amount of \$50,000; and

2-21 (3) submit for approval by the department the name and
 2-22 contact information of the provider's administrator of record who
 2-23 satisfies the requirements under Section 773.05712.

2-24 (b) An emergency medical services provider that is directly
 2-25 operated by a governmental entity is exempt from this section.

2-26 Sec. 773.05712. ADMINISTRATOR OF RECORD. (a) The
 2-27 administrator of record for an emergency medical services provider
 2-28 licensed under this subchapter:

2-29 (1) may not be employed or otherwise compensated by
 2-30 another private for-profit emergency medical services provider;

2-31 (2) must meet the qualifications required for an
 2-32 emergency medical technician or other health care professional
 2-33 license or certification issued by this state; and

2-34 (3) must submit to a criminal history record check at
 2-35 the applicant's expense.

2-36 (b) Section 773.0415 does not apply to information an
 2-37 administrator of record is required to provide under this section.

2-38 (c) An administrator of record initially approved by the
 2-39 department may be required to complete an education course for new
 2-40 administrators of record. The executive commissioner shall
 2-41 recognize, prepare, or administer the education course for new
 2-42 administrators of record, which must include information about the
 2-43 laws and department rules that affect emergency medical services
 2-44 providers.

2-45 (d) An administrator of record approved by the department
 2-46 under Section 773.05711(a) annually must complete at least eight
 2-47 hours of continuing education following initial approval. The
 2-48 executive commissioner shall recognize, prepare, or administer
 2-49 continuing education programs for administrators of record, which
 2-50 must include information about changes in law and department rules
 2-51 that affect emergency medical services providers.

2-52 (e) Subsection (a)(2) does not apply to an emergency medical
 2-53 services provider that held a license on September 1, 2013, and has
 2-54 an administrator of record who has at least eight years of
 2-55 experience providing emergency medical services.

2-56 (f) An emergency medical services provider that is directly
 2-57 operated by a governmental entity is exempt from this section.

2-58 Sec. 773.05713. REPORT TO LEGISLATURE. Not later than
 2-59 December 1 of each even-numbered year, the department shall
 2-60 electronically submit a report to the lieutenant governor, the
 2-61 speaker of the house of representatives, and the standing
 2-62 committees of the house and senate with jurisdiction over the
 2-63 department on the effect of Sections 773.05711 and 773.05712 that
 2-64 includes:

2-65 (1) the total number of applications for emergency
 2-66 medical services provider licenses submitted to the department and
 2-67 the number of applications for which licenses were issued or
 2-68 licenses were denied by the department;

2-69 (2) the number of emergency medical services provider

3-1 licenses that were suspended or revoked by the department for
3-2 violations of those sections and a description of the types of
3-3 violations that led to the license suspension or revocation;

3-4 (3) the number of occurrences and types of fraud
3-5 committed by licensed emergency medical services providers related
3-6 to those sections;

3-7 (4) the number of complaints made against licensed
3-8 emergency medical services providers for violations of those
3-9 sections and a description of the types of complaints; and

3-10 (5) the status of any coordination efforts of the
3-11 department and the Texas Medical Board related to those sections.

3-12 SECTION 3. Subchapter C, Chapter 773, Health and Safety
3-13 Code, is amended by adding Section 773.0573 to read as follows:

3-14 Sec. 773.0573. LETTER OF APPROVAL FROM LOCAL GOVERNMENTAL
3-15 ENTITY. (a) An emergency medical services provider applicant must
3-16 obtain a letter of approval from:

3-17 (1) the governing body of the municipality in which
3-18 the applicant is located and is applying to provide emergency
3-19 medical services; or

3-20 (2) if the applicant is not located in a municipality,
3-21 the commissioners court of the county in which the applicant is
3-22 located and is applying to provide emergency medical services.

3-23 (b) A governing body of a municipality or a commissioners
3-24 court of a county may issue a letter of approval to an emergency
3-25 medical services provider applicant who is applying to provide
3-26 emergency medical services in the municipality or county only if
3-27 the governing body or commissioners court determines that:

3-28 (1) the addition of another licensed emergency medical
3-29 services provider will not interfere with or adversely affect the
3-30 provision of emergency medical services by the licensed emergency
3-31 medical services providers operating in the municipality or county;

3-32 (2) the addition of another licensed emergency medical
3-33 services provider will remedy an existing provider shortage that
3-34 cannot be resolved through the use of the licensed emergency
3-35 medical services providers operating in the municipality or county;
3-36 and

3-37 (3) the addition of another licensed emergency medical
3-38 services provider will not cause an oversupply of licensed
3-39 emergency medical services providers in the municipality or county.

3-40 (c) An emergency medical services provider is prohibited
3-41 from expanding operations to or stationing any emergency medical
3-42 services vehicles in a municipality or county other than the
3-43 municipality or county from which the provider obtained the letter
3-44 of approval under this section until after the second anniversary
3-45 of the date the provider's initial license was issued, unless the
3-46 expansion or stationing occurs in connection with:

3-47 (1) a contract awarded by another municipality or
3-48 county for the provision of emergency medical services;

3-49 (2) an emergency response made in connection with an
3-50 existing mutual aid agreement; or

3-51 (3) an activation of a statewide emergency or disaster
3-52 response by the department.

3-53 (d) This section does not apply to:

3-54 (1) renewal of an emergency medical services provider
3-55 license; or

3-56 (2) a municipality, county, emergency services
3-57 district, hospital, or emergency medical services volunteer
3-58 provider organization in this state that applies for an emergency
3-59 medical services provider license.

3-60 SECTION 4. Subchapter C, Chapter 773, Health and Safety
3-61 Code, is amended by adding Section 773.06141 to read as follows:

3-62 Sec. 773.06141. SUSPENSION, REVOCATION, OR DENIAL OF
3-63 EMERGENCY MEDICAL SERVICES PROVIDER LICENSE. (a) The commissioner
3-64 may suspend, revoke, or deny an emergency medical services provider
3-65 license on the grounds that the provider's administrator of record,
3-66 employee, or other representative:

3-67 (1) has been convicted of, or placed on deferred
3-68 adjudication community supervision or deferred disposition for, an
3-69 offense that directly relates to the duties and responsibilities of

4-1 the administrator, employee, or representative, other than an
4-2 offense for which points are assigned under Section 708.052,
4-3 Transportation Code;

4-4 (2) has been convicted of or placed on deferred
4-5 adjudication community supervision or deferred disposition for an
4-6 offense, including:

4-7 (A) an offense listed in Sections 3g(a)(1)(A)
4-8 through (H), Article 42.12, Code of Criminal Procedure; or

4-9 (B) an offense, other than an offense described
4-10 by Subdivision (1), for which the person is subject to registration
4-11 under Chapter 62, Code of Criminal Procedure; or

4-12 (3) has been convicted of Medicare or Medicaid fraud,
4-13 has been excluded from participation in the state Medicaid program,
4-14 or has a hold on payment for reimbursement under the state Medicaid
4-15 program under Subchapter C, Chapter 531, Government Code.

4-16 (b) An emergency medical services provider that is directly
4-17 operated by a governmental entity is exempt from this section.

4-18 SECTION 5. Section 773.0571, Health and Safety Code, as
4-19 amended by this Act, and Section 773.0573, Health and Safety Code,
4-20 as added by this Act, apply only to an application for approval of
4-21 an emergency medical services provider license submitted to the
4-22 Department of State Health Services on or after the effective date
4-23 of this Act. An application submitted before the effective date of
4-24 this Act is governed by the law in effect immediately before the
4-25 effective date of this Act, and that law is continued in effect for
4-26 that purpose.

4-27 SECTION 6. The change in law made by this Act applies only
4-28 to an application for approval or renewal of an emergency medical
4-29 services provider license submitted to the Department of State
4-30 Health Services on or after the effective date of this Act. An
4-31 application submitted before the effective date of this Act is
4-32 governed by the law in effect immediately before the effective date
4-33 of this Act, and that law is continued in effect for that purpose.

4-34 SECTION 7. This Act takes effect September 1, 2013.

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